

County Trends



Uintah

December 2002

A Local Economic Perspective

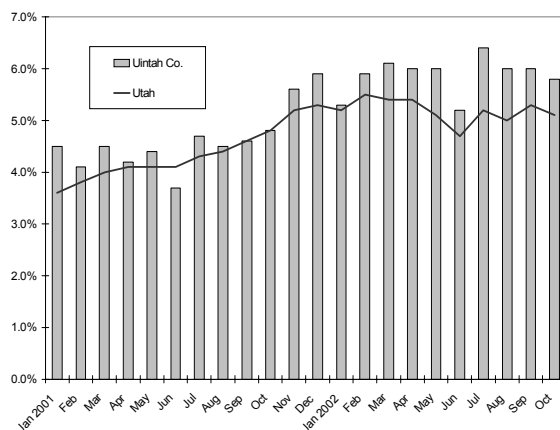
Uintah County 2002 - Job Growth Slows

Uintah County's nonfarm job growth slowed significantly during the first half of 2002. Job losses in mining, construction, and retail trade hindered growth. The slowdown in employment has led to a rise in the county's unemployment rate. The most current unemployment rate for October 2002 was 5.8 percent, a one percentage point increase from October 2001's rate of 4.8 percent.

Employment Barely Grows

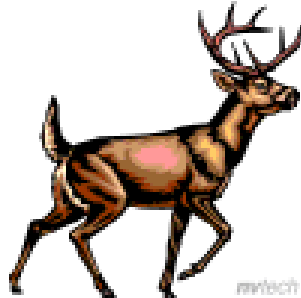
Year-over nonfarm employment experienced scant growth in Uintah County during the first two quarters of 2002. Nonfarm jobs increased 0.7 percent in the first quarter followed by a 1.1 percent rise in the second quarter. A decline in oil and gas activity and construction were major factors in the slowdown. Mining lost 95 jobs, mostly in exploration. The depletion of reserves in some wells also produced job cuts. Construction lost positions in heavy construction as road and water projects were completed. Building construction for housing and commercial structures improved. Manufacturing employment was basically unchanged from last year.

Seasonally Adjusted Uintah County Unemployment Rates

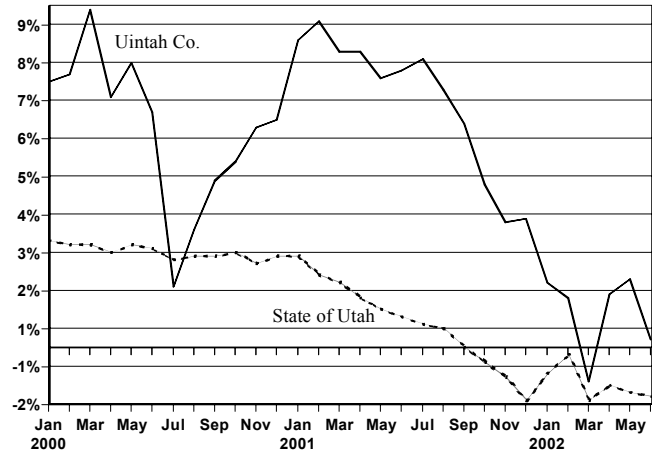


Source: Utah Department of Workforce Services.





Year-Over Change in Uintah County Employment



Source: Utah Department of Workforce Services.

To the Point

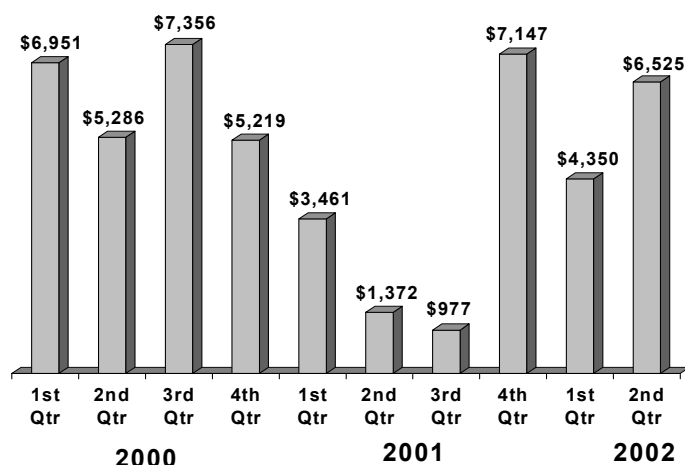
Uintah County has seen its rate of nonfarm jobs growth tumble as oil and gas activity has slowed. Some of this is attributed to the depletion of well reserves. Another contributing factor is uncertainty in the energy markets, which is slowing exploration and resource development.

The services-production industries accounted for most of the job growth in Uintah County. Year-over data for the first half of 2002 shows that jobs expanded in health care, recreation, lodging, food service, finance, insurance, and equipment rental services. Medical clinics, residential care, and social assistance produced jobs. Lodging and food services also added positions. Trucking and communications jobs grew. Government cut jobs slightly as local government positions fell in education and health services. Federal jobs grew for land management. Retail trade also showed a decrease in employment.

Construction Takes Off

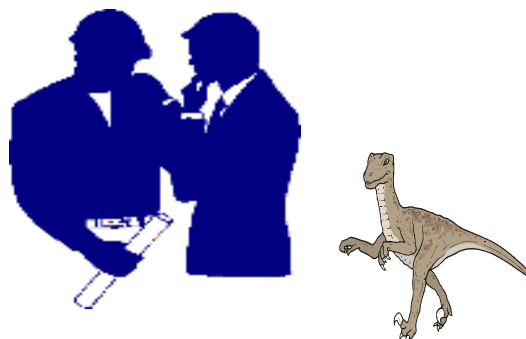
Year-over construction activity, as measured by permit authorizations, rose a dramatic 125 percent in total valuation for the first six months of 2002. Residential units jumped 98 percent. Single-family and manufactured homes/cabins increased.

Uintah County Total Construction Permit Valuation



(Thousands of dollars)

Source: Utah Bureau of Economic & Business Research.



Nonresidential valuations rose dramatically as well. The valuation of renovation work also showed improvement.

Sales Falter

Year-over gross taxable sales slowed slightly in the first quarter (-0.4%) and fell during the second quarter (-10.1%) of 2002. Mining, construction, electric, and gas sales all experienced a marked decline. Communication sales were strong. Retail trade sales rose thanks largely to automobile vehicle sales. Services sales tumbled as business and repair services faltered.

Outlook for the Rest of 2002

Uintah County will continue to feel the effects of a slowdown in energy development during the remainder of 2002. The national recession will hamper demand for energy and the uncertainty in the Middle East also negatively effects companies willingness to develop new resources.

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Quick Facts

October 2002

Unemployment Rate

Uintah County	5.8%
Utah	5.2%
U.S.	5.6%

June 2002 Change from Previous Year

Job Growth

Uintah County	0.2%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Uintah County	125.0%
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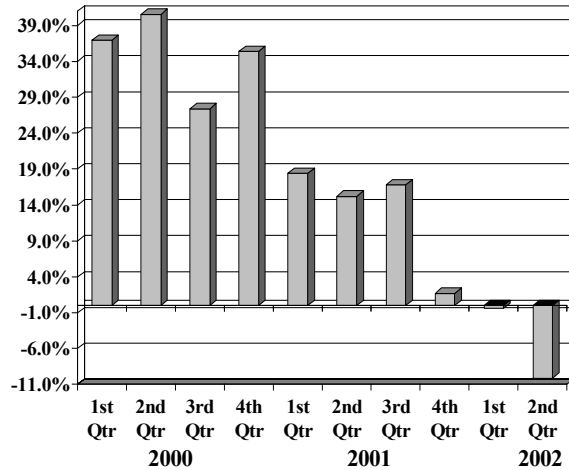
Sales

Uintah County	-10.1%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

For more economic information about Uintah County see:
<http://jobs.utah.gov/wi/Regions/County.asp>

Year-Over Change in Uintah County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.



Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128



What's Up? ⁴

- Houston-based El Paso Corp. will sell its Uinta Basin natural gas properties and related gas-gathering facilities to Denver-based Westport Resources Corp. for \$502 million.
- Construction is underway on the new \$10.2-million Utah Field House of Natural History in Vernal.
- The Maeser Water Improvement District obtained \$1.3 million in funds from the Community Impact Board to improve culinary water wells.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/eastern/uintah/uintahee.pdf>

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